

OVERSIGHT ON THE COMPREHENSIVE
EMPLOYMENT AND TRAINING ACT

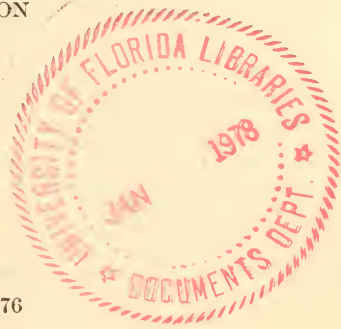
(Public Law 93-203, as amended by
Title I, Public Law 93-567)

STATEMENT OF ISSUES INVOLVED IN OVER-
SIGHT ACTIVITIES OF THE SUBCOMMITTEE ON
MANPOWER, COMPENSATION, AND HEALTH AND
SAFETY

COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES
NINETY-FOURTH CONGRESS
SECOND SESSION



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HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
SUBCOMMITTEE ON MANPOWER, COMPENSATION,
AND HEALTH AND SAFETY,
Washington, D.C., January 8, 1976.

HON. CARL D. PERKINS,
*Chairman, Education and Labor Committee,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: The Subcommittee on Manpower, Compensation, and Health and Safety will hold extensive oversight hearings on the Comprehensive Employment and Training Act, Public Law 93-203, as amended by Title I, Public Law 93-567. Accordingly, the Subcommittee has prepared a statement of issues which will be investigated as part of its oversight activities. These issues do not include all areas involved in oversight nor preclude the discussion or investigation of any appropriate and related subjects that may arise during the hearings. It is intended that this outline be made available to all Committee Members and to the public.

Sincerely,

DOMINICK V. DANIELS,
Chairman.



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STATEMENT OF ISSUES

The issues outlined in this document represent a partial listing of the subjects which will be covered by the committee during oversight activities on the Comprehensive Employment and Training Act (Public Law 93-203, as amended by Title I, Public Law 93-567). These issues are not all inclusive, but provide a broad outline of the subjects in which the committee is interested.

I. MANPOWER POLICY (AN OVERVIEW)

A. What should be the national resource allocation priority assigned to the implementation of manpower policy through 1980?

B. What is the appropriate new balance between strategies and instruments designed to combat the problems of structural unemployment and those designed to respond to the problems of cyclical unemployment?

C. How do the labor market assumptions undergirding the manpower policies of the 1960s compare to equivalent assumptions as they apply to the balance of this decade?

D. Does this Nation need a new national manpower policy for the late 1970s? If so, what should be this new policy's basic objectives?

E. Who should a manpower program serve in the late 1970s?

F. Should a manpower program aim to serve both the disadvantaged/structurally unemployed and the cyclically unemployed?

G. How do manpower policy and programs mesh with other governmental approaches to reducing unemployment?

H. To what degree should national manpower policy continue to be a major instrument to pursue the objectives of national equal opportunity policies?

I. To what degree should public job creation activities be tied to state and local government civil service structures as opposed to an administratively separate project approach?

J. Is there a need to use public manpower funds more extensively and in new ways to generate job creation in the private sector?

K. To what degree should manpower development programs be linked with other income maintenance programs (WIN, Unemployment Insurance)?

L. Is there a need to review the current method of compilation of labor market information to meet the objectives of manpower policy during the second half of the 1970s?

II. DECATEGORYIZATION AND COMPREHENSIVENESS

A. To what extent have the expectations of Congress that duplication will be reduced and that comprehensive delivery systems will replace fragmented ones been realized?

B. How much decategoryization has occurred under CETA?

C. Have there been any significant changes in the nature of manpower programs as a result of decategorization?

D. Are local programs under CETA more or less responsive to local needs than pre-CETA programs?

E. Should CETA become more comprehensive through encompassing or coordinating other manpower-related programs?

F. Is decategorization compatible with the needs of a national manpower policy for the balance of the 1970s?

G. Do programs to combat structural unemployment operate better in a decategorized or categorized framework?

H. Do programs to combat cyclical unemployment operate better in a decategorized or categorized framework?

I. Should there be national standards for comprehensiveness of programs?

J. Should there be federally provided inducements for developing comprehensive programs?

K. How does the criteria for eligible prime sponsor status promote comprehensiveness?

L. What is the role of the Employment Service in assisting the development of decategorized and comprehensive manpower programs?

M. What is the programmatic impact of consortia?

N. What is the relation of mandated service deliverers at the national level to comprehensiveness and decategorization?

O. What is the mix of programs under Title I?

P. What is the assessment of cost-effectiveness of programs under Title I? How much does each program cost?

(a) What are the costs per enrollee?

(b) What are the costs per positive termination?

(c) What are the costs per placement?

Q. What are the pre- and post-enrollment earnings of trainees under Title I?

R. Are enrollees in Title I trained in occupations that have projected demand? Are they enrolled in training for "skill shortage" occupations?

S. How does the cost of decategorized programs under CETA compare with the costs of the pre-CETA categorized programs?

III. THE PLANNING PROCESS AND COUNCILS

A. Are the planning councils performing the role that Congress intended or have they become captives of the prime sponsors?

B. How much independent authority should the councils exercise?

C. What role should the CETA administrator and staff have on the councils?

D. What, if anything, should be done about the conflict of interest possibility on the part of program operators who are voting members of the council?

E. Have the various planning linkages provided in Title I resulted in a voluntary establishment of joint or statewide planning objectives?

F. How well are local planning councils performing their function of monitoring and objectively evaluating employment and training programs conducted in the prime sponsorship area?

G. How well have states carried out their responsibilities under section 106(b)(3) to set forth an overall state plan for the develop-

ment and sharing of resources and facilities needed to conduct manpower programs under its direct sponsorship without unnecessary duplication?

H. How well have State Manpower Services Councils (SMSCs) carried out their responsibilities under section 107(b)(1) (to review plans of each prime sponsor and . . . make recommendations for more effective coordination)?

I. Have the SMSCs proved effective monitors of the responsiveness and adequacy of state agency delivered services?

J. Should the representation of local prime sponsors on the SMSCs or any other groups whose representation is currently mandated by law be increased, stay the same, or be reduced?

K. Should additional groups be granted representation on the SMSCs?

L. Should the membership of local planning councils be made more specific?

M. Should the functions of the planning councils be enlarged or diminished?

N. Should the membership of local planning councils be altered?

O. Has the role of the Secretary of Labor in reviewing of plans insured the implementation of the Act in accordance with the intent of Congress?

IV. THE ADMINISTRATIVE PROCESS (DELIVERY OF SERVICES)

A. What is the proper allocation of control and decision-making authority between the Federal and local levels of government?

B. Have there been any significant changes or innovations as the result of the decentralization of the delivery system?

C. Has the decentralized system of Federal, state, and local programs resulted in the fulfillment of the purpose of CETA? (Section 2: to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons, and to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency.)

D. Is a decentralized administrative process more democratic?

E. What can be done to minimize political abuse in administering CETA?

F. How can national manpower policies be implemented in a decentralized delivery system?

G. Should there be national standards for enforcement of legislative intent?

H. Has decentralization of the delivery system resulted in a more effective and efficient response to labor market problems of structural unemployment than the pre-CETA federally managed, categorical system?

I. The Federal Role in the Administrative Process:

1. Is the Federal presence excessive or inadequate?

2. Should the role of the Federal government in the implementation of Title I be increased, reduced, or remain as currently provided?

3. How effective have DOL's own technical assistance efforts been in relation to their cost?

4. How effective have the Federal monitoring and enforcement been?

5. How effectively have the Employment and Training Administration's regional offices carried out their role in the implementation of CETA?

6. Have the regional offices over- or under-staffed for the purposes of their assignments?

7. Have there been any conflicts between regional offices and prime sponsors that have been detrimental to the effective implementation of CETA?

8. To what extent have DOL's administrative decisions reflected the text and intent of the legislation?

9. Have the appeal mechanisms provided in the legislation proved responsive?

10. Should there be national standards for comprehensiveness of programs?

J. The State Role in the Administrative Process:

1. Should the role of the state in coordinating, monitoring and assisting all manpower programs in the state be strengthened? If so, how?

2. Does the role of states as coordinators of state manpower services need clarification?

3. How effectively have the states carried out their responsibilities to provide technical assistance to prime sponsors?

4. How effectively have the states carried out their responsibilities to monitor prime sponsors?

5. How well have Governors provided for a cooperative attitude by state agencies providing manpower and manpower related services?

6. How well have the states carried out their functions under Section 112 grants (5 per cent money for vocational educational assistance)?

7. What has been the state's role in the designation of consortia?

8. Have the states used the Section 103(c) funds (4 per cent money) for Section 106(c) as required by the Act, or have the funds been diverted into other uses? (Section 106(c) provides for establishment of statewide services, special programs for rural areas, developing and publishing of information regarding employment, technical assistance and model programs.)

9. Does the structure of balance of state prime sponsorships need to be reviewed?

K. Prime Sponsor Role in the Administrative Process:

1. Have the prime sponsors as deliverers of manpower services proved more responsive to the needs of local communities than did pre-CETA programs?

(a) Should there be additional legislative mechanisms to assure that prime sponsors are responsive to local needs?

(b) If so, what?

2. Have the consortia proved effective in implementing CETA?

3. Have there been any administrative problems with consortia?

4. Has the criteria for eligible prime sponsors served to insure effective implementation of CETA?

5. Does the criteria for eligible prime sponsor status need to be reviewed or changed to meet the requirements of manpower policy for the late 1970s?

(a) Should the population criterion for units of general local government be dropped from 100,000 to 50,000 or more persons?

(b) Should the "exceptional circumstance" and "rural CEP" prime sponsors be eliminated?

(c) Should community action agencies, community-based organizations (CBOs) or local educational agencies be eligible for prime sponsorship under specific circumstances?

(d) Should the criteria for consortia be tightened in terms of demanding a multi-year commitment to maintain them from the local officials involved?

6. Have the prime sponsors established comprehensive manpower services programs?

7. Should prime sponsor control over programs be encouraged or constrained?

8. Is there a potential conflict arising from the trend of prime sponsors to directly provide manpower services and the legislative suggestion that maximum use should be made of existing institutions?

9. What should be the relationship between program agents and the prime sponsor?

10. How can conflicts between program agents and the prime sponsor be resolved?

11. Have prime sponsors established linkages with other related programs such as:

(a) The Employment Service?

(b) Community Action Agencies?

(c) Community-based Organizations?

(d) Vocational Education Agencies?

(e) WIN?

12. Have there been any problems in the relationship of prime sponsors with:

(a) The Employment Service?

(b) Community Action Agencies?

(c) Community-based Organizations?

(d) Vocational Education Agencies?

(e) WIN?

V. PROGRAM PARTICIPANTS (WHO IS CETA SERVING?)

A. To what extent does the compilation of labor market information assist in directing manpower services to the disadvantaged, the unemployed and the underemployed?

B. Are the disadvantaged being served proportionately less than in the past?

C. Are program participants adequately represented in the decision-making processes under CETA?

D. Should national standards be developed that are more scientific than "unemployed," "underemployed" and "disadvantaged"?

1. What should be the Congressional role in promoting the development of more specific standards?

E. Are program participants satisfied or dissatisfied with CETA?

F. Who should be the participants in manpower programs of the late 1970s?

G. Should eligibility criteria be tightened in favor of the disadvantaged as a priority target group?

H. Should a set proportion of slots be allocated to the disadvantaged?

I. Should there be a "two-tier" program: one exclusively for the disadvantaged, another for those temporarily out of work?

J. Should the disadvantaged be insulated from competition of better prepared applicants for Title I programs or should manpower programs be open to all unemployed persons?

K. What are the characteristics of program participants under Title I programs (other than public service employment)?

L. How do the participants in Title I programs under CETA compare to the participants in categorical programs prior to enactment of CETA?

VI. ALLOCATIONS AND RESOURCES

A. To what extent are the present allocation formulas (factors and weights assigned to them) responsive to major objectives of a manpower policy for the balance of the 1970s?

B. Are the formulas responsive to the problems of structural unemployment? Cyclical unemployment?

C. Does the current system of national data-gathering affect the formulas?

D. How well has the Secretary of Labor's discretionary allocation of funds implemented Congressional intent?

E. Does the formula in Title I serve to effectively assure that to the maximum extent feasible manpower services will be provided to those most in need of them, including low-income persons and persons of limited English-speaking ability?

F. To what extent has the allocation mechanism for Title I funds proved adequate and/or realistic in terms of Congressional intent?

G. Should the 90 percent hold-harmless provision in Title I be reviewed?

H. Should the allocation of 5 percent of Title I's funds on a categorized basis for vocational education be reviewed?

I. Does the formula in Title II serve to effectively carry out the intent of Congress to reach geographic target areas (areas of substantial unemployment)?

J. Is the formula in Title II realistic in a recession?

K. Does the formula in Title VI serve to effectively carry out the intent of Congress in providing transitional employment for unemployed and underemployed persons?

L. Is the Title VI formula adequate and/or realistic as a counter-cyclical measure?

M. Of the sums appropriated, what portion should be reserved for the Secretary of Labor's discretionary fund?

N. Of the sums appropriated, what portion should be reserved for Special Federal Responsibilities?

O. To what extent does the compilation of labor market information direct resources into geographic areas in greatest need of assistance under the Act?

VII. PUBLIC SERVICE EMPLOYMENT

A. What is the appropriate role of PSE in national anti-recessionary policy?

B. What impact does PSE have on unemployment nationwide and on unemployment in prime sponsor areas?

C. Should a PSE program be administered through the CETA prime sponsor mechanism or should it be a separately administered program?

1. Should PSE be administered through direct allocations to community-based organizations (CBOs)?

2. Should PSE be administered through a mix of allocations to prime sponsors and to CBOs?

D. Should a PSE program have two components: employment for the long-term unemployed and disadvantaged, and a counter-cyclical employment program on a temporary basis?

E. To what extent are PSE programs creating *new* jobs and impacting local unemployment? (The substitution problem.)

F. To what extent have priorities for PSE established under Titles II and VI been observed?

1. Long-term unemployed and severely disadvantaged.

2. Korean and Vietnam veterans.

3. Training program graduates.

4. Equitable distribution of jobs to reflect proportion of minority groups among the unemployed and underemployed.

G. What impact have Titles II and VI had upon state and local civil service policies and practices?

1. Have prime sponsors reclassified or redefined civil service job descriptions in an attempt to subvert provisions prohibiting use of CETA funds to replace regular employees who have been laid off?

2. Are prime sponsors providing private, non-profit agencies with PSE funds so that they may hire persons to provide certain services at salaries lower than those paid for equivalent but eliminated civil service positions?

3. To what extent have artificial barriers to public employment in the civil service been removed?

4. How effectively has DOL monitored prime sponsor civil service policies and practices?

H. What is the nature of jobs performed by PSE participants?

I. What is the average salary of PSE participants?

J. What is the rate of rehires?

K. How effectively has DOL monitored the rehire situation?

L. Are there sufficient supplies, equipment and material available under the present 90-10 percent distribution of funds?

1. Should the 90-10 percent distribution be revised? If so, how?

2. Should the prohibition against purchase of supplies be eliminated?

3. Would an increase in funds for supplies change PSE from a labor-intensive to capital-intensive program?

M. What are the evidences of nepotism in PSE programs?

N. What are the evidences of political patronage under PSE programs?

O. Should PSE be limited to one job per household?

P. Should PSE be limited to persons without alternative sources of income?

Q. Would a project-approach effectively eliminate the substitution problem?

R. Should the PSE salary limitation of \$10,000 per annum be raised or lowered?

S. Do jobs under Title II and VI differ?

T. Has the use of Title I funds for PSE subverted comprehensive Title I programs in order to maintain PSE enrollment levels under CETA?

U. Have prime sponsors curtailed creation of new PSE slots through fears of lower annualized appropriation levels?

V. To what extent are private non-profit organizations, community-based organizations, school boards, etc., participating in the operation of PSE programs?

W. What are the characteristics of program participants under Title II and Title VI programs and of PSE participants in PSE under Title I?

X. How do the participants in PSE under CETA compare to the participants in public employment under the Emergency Employment Act?

VIII. SPECIAL FEDERAL RESPONSIBILITIES (TITLES III AND IV)

A. Has the DOL effectively carried out its responsibilities to provide additional manpower services to special target groups: youth, offenders, persons of limited English speaking ability, Indians, and migrant and seasonal farm workers?

B. Would the needs of special target groups be better served through transferring responsibility for some or all of these groups to prime sponsors?

C. How effectively has the DOL carried its responsibilities to provide financial assistance to areas for special programs for the chronically unemployed poor? (Sec. 304(a) (4), (5))

D. Should Congress establish national standards regarding financial assistance to areas for special programs for the chronically unemployed poor?

E. Should the formula-protected funding of programs for Indians and migrant and seasonal farmworkers be also provided for other target groups?

F. Should the existing formulas for Indians and migrant and seasonal farmworkers be changed?

G. Have work-experience programs for low-income high school students helped reduce the high school drop out rate and assisted young people in obtaining a job upon graduation?

H. Have consultation requirements between DOL and HEW (Sec. 306) helped in implementation of special federal responsibilities?

I. Has the DOL effectively carried out its research responsibilities (Sec. 311)?

J. Has the DOL established a comprehensive manpower research program that will aid in the solution of the nation's manpower problems?

K. Has the DOL directly evaluated its own programs and activities under CETA? (Sec. 311 (c))

L. Has the DOL contracted or made other arrangements for evaluation of its programs and activities under CETA? (Sec. 311 (c))

M. Should outside resources be used to a greater degree to evaluate all CETA programs and activities?

N. How effectively has the DOL carried out its responsibilities under Section 312 to develop a comprehensive system of labor market information and develop more accurate data?

O. How effectively has DOL carried out its responsibilities to establish a nationwide computerized job bank and matching program?

P. Should discretionary funding of manpower programs conducted by community-based organizations (Sec. 304(a)(7)) be changed to a designated formula funding?

Q. Has the DOL effectively exercised its responsibilities under Section 314 to assist in elimination of artificial barriers to employment and advancement within agencies conducting programs under CETA?

R. Should the DOL be required to report annually to Congress concerning results of its efforts to eliminate artificial barriers to employment and advancement within agencies conducting programs under CETA?

S. Has the DOL expanded and improved on the Job Corps program as intended by Congressional mandate in giving the Secretary of Labor direct statutory responsibility for its operation and administration?

T. Has DOL continued to operate and administer Job Corps nationally as directed in House Report No. 93-659?

1. Is decentralization of the administration of Job Corps within the Labor Department consistent with Congressional intent?

2. What are the specific responsibilities of the National Director of the Job Corps?

3. How many national DOL staff are assigned to administer the Job Corps currently as compared to 1973 (prior to enactment of CETA)?

4. What are the specific responsibilities of regional offices of DOL in operating and administering Job Corps Centers?

5. What is the relationship of prime sponsors under Title I to Job Corps Centers?

U. Are contracts for Job Corps Centers negotiated at the DOL national or regional level?

V. How many Job Corps Centers are functioning currently in comparison to 1973?

W. How many Job Corps enrollees are there currently as compared to 1973?

X. What is the average cost per enrollee currently as compared to 1973?

Y. What is the placement record of Job Corps enrollees since the passage of CETA as compared to the record prior to CETA?

Z. What is the drop-out record of Job Corps enrollees currently as compared to 1973?

IX. RULES AND REGULATIONS

(In addition to testimony on rules and regulations which may be presented to the committee during its oversight on other CETA issues, the committee will hold several days of hearings for testimony exclusively on CETA rules and regulations.)



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